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BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:)
)
ABBAS KHASMAKHI,)
)
Complainant,)
)
vs.) No. 06-0351
)
PEOPLES GAS LIGHT AND COKE)
COMPANY,)
)
Respondent.)
)
COMPLAINT AS TO
BILLING/CHARGES IN CHICAGO,
ILLINOIS.

Chicago, Illinois
July 20th, 2006

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

MR. JOHN T. RILEY, Administrative Law Judge

1 APPEARANCES:

2 MR. GERALD VENKUS
3 7011-C West 111th Street
4 Worth, IL 60487
5 (708)361-2244
6 for Complainant;

7 MR. MARK GOLDSTEIN
8 108 Wilmont Road
9 Suite 330
10 Deerfield, IL 60015
11 (847)580-5480
12 for Respondent.

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26 SULLIVAN REPORTING COMPANY, by
27 Devan J. Moore, CSR
28 License No. 084-004589

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I N D E X

<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>Re-direct</u>	<u>Re-cross</u>	<u>By Examiner</u>
Mr. Reardon					
Mr. Khasmakhi					

E X H I B I T S

<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
Complainant's Group Exhibit No. 1		
Respondent's Exhibit Nos. 1 - 5		

1 JUDGE RILEY: Pursuant to the direction of the
2 Illinois Commerce Commission, I call Docket 06-0351.
3 This is a complaint filed by Abbas Khasmakhi versus
4 People Gas Light and Coke Company as to
5 billing/charges in Chicago, Illinois.

6 Counsel, for the Complainant, would
7 you state your name and address for the record,
8 please.

9 MR. VENKUS: Gerald Venkus, 7011 West 111th
10 Street, Worth, Illinois.

11 JUDGE RILEY: Thank you.

12 And for Peoples Gas.

13 MR. GOLDSTEIN: On behalf of the Peoples Gas
14 Light and Coke Company, Mark L. Goldstein, 108
15 Wilmonite Road, Suite 330, Deerfield Illinois 60015.
16 My telephone number is (847) 580-5480.

17 JUDGE RILEY: Thank you.

18 And at this stage of the proceeding we
19 were prepared to conduct the hearing.

20 Mr. -- I'm sorry. Is it Venkus?

21 MR. VENKUS: Yes.

22 JUDGE RILEY: Are you prepared to call your

1 witness -- or did you have any preliminary matters
2 that --

3 MR. VENKUS: I will call as my first witness
4 the representative of Peoples Energy.

5 MR. GOLDSTEIN: Are you calling him as an
6 adverse witness?

7 MR. VENKUS: Yes.

8 (Witness sworn.)

9 JUDGE RILEY: Please proceed.

10 JOHN REARDON,
11 called as a witness herein, having been first duly
12 sworn, was examined and testified as follows:

13 DIRECT EXAMINATION

14 BY

15 MR. VENKUS:

16 Q Will you state your name, sir.

17 A John M. Reardon.

18 Q Mr. Reardon, what is your profession or
19 employment?

20 A Group supervisor at Peoples Energy for 27
21 years.

22 Q Okay. Are you familiar with the billing

1 practices and invoicing of Peoples Gas?

2 A Yes, I am.

3 Q And you are employed by Peoples Gas; are
4 you not, sir?

5 A Yes, I am.

6 Q And when did you begin your employment at
7 Peoples Gas?

8 A April 17th, 1987, I believe it was.

9 Q Okay. I will show you a series of
10 invoices -- documents which you alleged are
11 invoices -- regarding an Account No. 3500034023992.

12 Now, I ask you individually, sir, on
13 the date if these are estimates or if these are
14 actually readings and if you'd be able to ascertain
15 as such by looking at the invoices?

16 A Yes.

17 Q Okay. The first one dated 10/21/03, what
18 is the amount of that bill?

19 A The amount of that bill due is \$355.

20 Q Is that an actual reading or is it an
21 estimate?

22 A It doesn't indicate on that bill.

1 Q So there is no indication whether or not --
2 it's impossible for you to tell whether or not it's
3 an actual reading or an estimated bill; is that
4 correct, sir, based upon that invoice?

5 A Based on that invoice, yes, it doesn't tell
6 me if it's estimate or actual.

7 Q There is a second, 11/12/03. The amount of
8 that bill, sir?

9 A Are you referring to the total amount or
10 the current bill amount?

11 Q The total amount, sir.

12 A The total amount is 15,519.27.

13 Q And does that incorporate the \$300 that was
14 previously listed in the other billing?

15 A It shows the 355 as being paid.

16 Q Okay. Can you account for the difference
17 between the \$355 bill and the \$15,000 bill which was
18 on the second -- the next reading?

19 A Yes, we can.

20 Q And how is that accounted for, sir?

21 A That's the usage of service from the period
22 of July 30th of '03 through November 7th of '03.

1 Q And that amount did not show up on the
2 previous bill; is that correct, sir?

3 A That's correct.

4 Q Is there any reason that you can --

5 A The initial bill -- or the first bill you
6 showed me dated October 21st was a billing request
7 for a deposit installment. They billed Mr. Khasmakhi
8 a deposit installment on the first bill you showed me
9 as of October 21st of \$355. So that first bill was
10 not a bill for usage. It was a deposit request
11 installment.

12 Q Okay. So the \$15,000 was actually the
13 first usage bill that we've gone through so far; is
14 that correct?

15 A Yes, it is.

16 Q And it's for how many months, sir?

17 A For 100 days going from July 30th through
18 November 7th.

19 Q Now, has any other bills been issued
20 between the July 30th date through the final billing
21 date of that particular invoice?

22 A The invoice I have here in front of me?

1 Q Yes, sir.

2 Are they individual invoices for that

3 three-month period?

4 A No, they are not.

5 Q Okay. So there is three months of no

6 invoices; is that correct, sir?

7 A That's correct.

8 Q Any reason for that nonbilling period?

9 A Not that I can see as of right now, no.

10 Q Is that \$15,000 bill based upon an estimate

11 or is it based upon an actual reading, sir?

12 A It's based on estimates.

13 Q So that's an estimate, also.

14 So there is no billing for three

15 periods, and then the for the period that we have in

16 here is an estimate; is that correct, sir?

17 The first -- let me stipulate the first bill

18 for usage is an estimated bill for the first hundred

19 days of service, yes.

20 Q Okay. The next date, sir, I've got of

21 12/12/03. And would you take a look at that bill.

22 A Okay.

1 Q That bill is in what amount, sir?

2 A The total amount due is \$823.33.

3 Q Now, from what period is that, sir?

4 A That's from November 7th of '03 through
5 December 10th of '03.

6 Q So it's a one-month billing; is that
7 correct? \$823?

8 A 33 days.

9 Q Does the -- what happened to the \$15,000
10 that was due on the previous billing? Is that
11 reflected in that invoice?

12 A It's reflected as the amount as being
13 disputed, which is means that there was an inquiry
14 made about the bill. So we had an inquiry on the
15 bill dispute. So at the time we sent the bill out,
16 the amount that was in dispute was not part of what
17 was being billed to Mr. Khasmakhi.

18 Q So that \$15,000 was put aside and kind of
19 held in limbo until some decision was made; is that
20 true, sir?

21 A Correct.

22 Q And the 823 for the actual, was it based on

1 the actual meter reading or was that an estimate?

2 A The 823 is made of two items.

3 First of all, it's included in the
4 deposit installment of \$356 and the actual usage is
5 612.33, which also is an estimated amount.

6 Q So we've got another estimate; is that
7 true, sir?

8 A That's correct, yes, sir.

9 Q So up until this particular time we don't
10 have any actual readings do we, sir, that are
11 reflected in any of those invoices for the five-month
12 period?

13 A That's correct.

14 Q Now, January 14th -- I'll show you another
15 bill.

16 The amount of that bill is what, sir?

17 JUDGE RILEY: Is that '04?

18 MR. VENKUS: I'm sorry. Now we are in '04.

19 JUDGE RILEY: Okay. Go ahead.

20 THE WITNESS: I'm sorry. Can you say that
21 again?

22

1 BY MR. VENKUS:

2 Q I'll show you this bill, a January '04
3 billing.

4 The amount of that bill is what, sir?

5 A Again, the amount due is 4,668.35.

6 Q Okay. Can you tell me what that bill is
7 for?

8 A The current charges is \$222.69.

9 Q Is that for another 30-some period day?

10 A No, that's actually a rebilling -- or it's
11 a billing from a period of January 6th through
12 January 12th, for six days of service.

13 Q Okay. And what is the balance of the --
14 what is the cost for the balance of the amount, the
15 other \$4,200, approximately?

16 A There was a cancellation -- it looks like
17 there was a cancellation done on the previous
18 billing. As it shows on top, we cancelled out
19 previous billing in the amount of \$4,934.66 -- I'm
20 sorry. That was a revisement, excuse me. There was
21 a revised billing in that amount from July 30th
22 through January 6th.

1 Q That's that \$15,000 amount that we were
2 talking about previously?

3 A One moment here.

4 Yes, part of that \$15,000 was revised
5 on the billing of January 13th.

6 Q So the 200 some odd dollars was actually
7 usage for that six-day period. The balance was a
8 revision of that \$15,000 bill reduced to
9 approximately 4,200 or something like that; is that
10 true?

11 A According to the bill, yes.

12 Q Now, that's the end of that \$15,000 bill;
13 is it not, sir?

14 A According to this bill on January 4th, yes.

15 Q Okay. Do you take an actual reading on
16 that January bill or is that another estimate?

17 A That's an actual reading taken on January
18 6th.

19 Q So after six months you've taken an actual
20 reading; is that true, sir?

21 A That's correct.

22 Q Showing you another bill now marked

1 February 12, 2004, \$1209.

2 Can you tell me what that is, sir?

3 A That's a bill for service from January 12th
4 through February 10th for 29 days of service and that
5 bill is also an estimate.

6 Q And it's how much?

7 A \$1,209.05.

8 Q Next bill, March of '04, \$632. That is for
9 what, sir?

10 A That's for service from February 10th of
11 '04 through March 10th of '04, 29 days of service,
12 and that's also an estimated bill.

13 Q Next bill April of '04. The amount?

14 A The amount is 536.42.

15 Q For what period of service?

16 A March 10th of '04 through April 9th of '04.
17 And it's also an estimated bill.

18 Q Again, May, sir, the amount?

19 A The current bill amount is \$420.03; the
20 period of time is April 9th of '04 through May 11th
21 of '04. And, again, that's an estimated bill.

22 Q And the amount there is what, sir?

1 A \$420.03.

2 Q The next bill, sir, is what?

3 A The next bill is for a period of May 11th

4 of '04 through June 10th of '04, estimated bill,

5 again, in the amount of 301.50.

6 Q July bill, sir? July '04 we're looking

7 through.

8 A The billing period is June 10th of '04

9 through July 12th of '04, an estimated bill, again,

10 of 266.08.

11 Q August?

12 A August bill is from July 12th of '04

13 through August 10th of '04, \$250.06, also an

14 estimated bill.

15 Q September?

16 A Billing period is August 10th of '04

17 through September 9th of '04. Again, an estimated

18 bill in the amount \$250.69.

19 Q October?

20 A The billing period is September 9th of '04

21 through October 8th, '04. Again, an estimated

22 billing in the amount of 309.09.

1 Q November?

2 A November, it bills from October 8th of '04
3 through November 9th of '04, \$489.11. Again, an
4 estimated bill.

5 Q December?

6 These are all '04s.

7 JUDGE RILEY: I understand.

8 THE WITNESS: The billing period is November
9 9th of '04 through December 10th of '04, an estimated
10 amount of 1649.22.

11 BY MR. VENKUS:

12 Q Now, we're in the year '05, 2005. I'll
13 show you the January billing, sir.

14 A The billing period is December 10th of '04
15 through January 11th of '05. The net amount of that
16 bill is 2,533.30.

17 Q When you say "the net amount," the net
18 amount is reflective of what, sir, when you say that?

19 A The net amount is the gas bill, the amount
20 of gas he was billed for during that time period.

21 Q So that was the \$2500 bill for the one
22 month? Is that what it was?

1 A That's correct, sir.

2 Q Substantially greater than any other bills

3 that we've had so far; is it not, sir?

4 A I believe so. Yeah, I believe so, yes.

5 Q Okay. Is that an estimate or is that an

6 actual bill?

7 A That's also an estimate.

8 Q February billing, sir?

9 A Billing period is January 11th of '05

10 through February 10th of '05. The billing amount is

11 1,272.56 and that's also estimated.

12 Q Is that for a period of usage for that

13 month or does it reflect anything in the past?

14 A That's just current charges for that month,

15 for that billing period.

16 Q March '05?

17 A The billing period is February 10th of '05

18 through March 11th of '05. The estimated amount in

19 the amount of 765.16.

20 Q March -- I'm sorry. April?

21 A The billing period is the March 11th of '05

22 through April 11th of '05. Again, it's an estimated

1 amount in the amount of 613.64.

2 Q May?

3 A The billing period on here is April 11th of
4 '05 through May 11th of '05 and the estimated amount
5 is \$484.

6 Q June?

7 A The billing period is May 11th of '05
8 through June 10th of '05 with an estimated bill in
9 the amount of \$339.44.

10 Q Now, we're back -- in these amounts we're
11 back in the 2, \$300 range for periods that are
12 somewhat equal to that period of the \$2500 and the
13 \$1200 billing periods? I mean, the times might be a
14 32-day or a 31-day, but they're pretty close?

15 A They're all in the 30-day cycle.

16 Q The next bill, sir, is July?

17 A The billing period is June 10th of '05
18 through July 12th of '05, an estimated amount of
19 282.03.

20 Q August?

21 A The billing period is July 12th of '05
22 through August 11th of '05, an estimate amount of

1 \$278.98.

2 Q September?

3 A The billing period is from Sept- -- I'm
4 sorry -- August the 11th of '05 through September 9th
5 of '05, estimated amount of 279.66.

6 Q November?

7 A The bill you're showing me is from October
8 10th of '05 through November 8th of '05, and it's an
9 estimated amount of 631.52.

10 Q And December?

11 A I believe just -- excuse me here one
12 minute.

13 I believe you're missing one bill --

14 Q Yeah, you're right.

15 A -- from September through October.

16 Q Do you have any copies of that invoice
17 yourself, sir, the September and October invoice?

18 A Let me take a look.

19 Q You know --

20 A I don't have an actual bill, but I have the
21 information that pertains to what the amount was.

22 Q And that information would be reflected in

1 that invoice; would it not? The last invoice would
2 show what was paid on the previous?

3 JUDGE RILEY: On what last invoice?

4 BY MR. VENKUS:

5 Q The invoice we're speaking of -- the
6 November invoice will reflect your previous billings
7 and the payment received; would it not, sir?

8 A Yes, it would show the previous amounts;
9 correct.

10 Q So for the that October billing, what was
11 the amount?

12 A Let me just double check to make sure --
13 what you're showing me on the November 10th
14 billing --

15 Q Right. For the previous period?

16 A -- was for \$410.22.

17 Q Okay. And now this billing here, the
18 November billing itself, is what?

19 A The November bill is for a period of
20 October 10th of '05 through November 8th of '05, and
21 the estimated amount is for 631.52.

22 Q Okay.

1 JUDGE RILEY: Now, do we know in that October
2 '05 -- is there had any way to determine whether it
3 was an estimated or an actual reading?

4 THE WITNESS: That also would have been an
5 estimated bill.

6 JUDGE RILEY: Thank you.

7 And that brought us to December of
8 '05; right? Is that where we are now?

9 MR. VENKUS: We're up to December, yes.

10 BY MR. VENKUS:

11 Q The December '05 bill?

12 A Okay. That was a service from November 8th
13 of '05 through December 9th of '05, estimated amount
14 of 2,984.49.

15 Q Now, does it show -- do you know if that
16 amount was paid? Can you tell by your records if
17 that amount was paid the \$2,000?

18 I can show you a subsequent invoice.
19 Could you reflect from that invoice whether or not
20 that 2,984 was paid?

21 A Yes, this invoice you've shown me shows
22 that it was paid, yes.

1 Q Does it show that there is any balance up
2 until this point, December of '05? Any balance due?
3 A No, it does not.
4 Q Okay. So up until December of '05, we have
5 a zero balance due; is that correct? And so far they
6 are all estimate from December '05 all the way from
7 February '03; is that right?
8 A That's correct.
9 Q Okay. Where is my January?
10 A (Tendering.)
11 Q Thank you very much.
12 January '06. There is an invoice in
13 front of you, sir. What is amount of that?
14 A That's for a billing period of December 9th
15 of '05 through January 11th of '06 in the amount
16 3,257.95.
17 JUDGE RILEY: Estimated?
18 THE WITNESS: Yes, estimated.
19 BY MR. VENKUS:
20 Q 3,257 estimate?
21 A And 95 cents; that's correct.
22 Q February of '06?

1 A That's a billion period January 11th of '06
2 through February 10th of '06.

3 Q How many days?

4 A 30 days of service.

5 Q Okay. Does that reflect whether or not
6 that \$3,000 was paid, the previous billing? 3,257
7 from February, does that bill reflect whether or not
8 the previous billing was paid?

9 A No, it does not.

10 Q Okay. The February bill shows a previous
11 balance; does it not, sir?

12 A Yes, it does.

13 Q And what does the February '06 previous
14 balance show?

15 A 17,105.33.

16 Q Now, again, the month preceding January
17 showed a zero balance due?

18 A No, it showed an amount due of 3,257.95.

19 Q But an amount that was paid?

20 A It was the bill prior of \$2,984.49, which
21 would have been the December bill.

22 Q Okay. So as of -- that would be the

1 December bill, and we had a zero balance as of
2 December.

3 Now, in February we had the bill for
4 17,105 approximately; is that correct?

5 A I'm sorry. What was the amount again?

6 Q 17,105.

7 A Yeah, the previous balance is showing
8 17,105.

9 Q Can you tell me what that 17,105 -- what
10 that reflects? Is that, first of all, an estimate or
11 is that an actual reading?

12 A Well, if I could say the -- you're missing
13 one bill prior to this February 15th bill. We sent
14 Mr. Khasmakhi a bill dated February 14th of 2006.

15 Q And do you have a copy of the bill -- the
16 invoice that was mailed to him in February?

17 A Yes, I do.

18 Q May I see a copy of that, sir?

19 A (Tendering.)

20 Q Now, up until this point, in the three
21 years we've covered, the invoices are for consecutive
22 months and they are monthly billings; is that

1 correct, sir? Up until this point?

2 A Yes, they are.

3 Q Now, you're saying that in February you

4 sent two bills --

5 A Mm-hmm.

6 Q -- one being the bill that we've already

7 gone over and this is the second billing that you

8 say --

9 A That's the first bill that was sent, dated

10 February 14th, which was a day prior --

11 Q That would precede the February 15th bill?

12 A Correct.

13 Q So it's one day earlier?

14 A Correct.

15 Q And on February 14th you sent what was

16 listed as a duplicate bill; is that correct?

17 A No. What you have in front of you is a

18 duplicate bill --

19 Q It's a copy of the original that was sent

20 to --

21 A That's why you see the word "duplicate" on

22 that paper.

1 Q Okay. Now, let's go over that.

2 A Sure.

3 Q It shows the previous balance of that \$3200
4 that we talked about, which was submitted in January,
5 3257; right?

6 A That's correct.

7 Q And I'm going by the February 14th, the one
8 I don't have.

9 A Right.

10 Q Now, does it show that that 3200 was paid?

11 A Yes, it does.

12 Q So then what this bill, the original
13 balance that was due for the previous month of 3200
14 shows it was actually received and paid, 3200?

15 A Correct.

16 Q So now from the 17- -- or 105, we've got
17 approximately \$14,000 difference, and add-on of
18 \$14,000.

19 Can you tell me what that \$14,000 is
20 for?

21 A Sure. The February 14th bill that was sent
22 to Mr. Khasmakhi was the bill that we sent which we

1 call a balloon bill adjustment. What that means is
2 we had a reading taken, an actual company reading
3 taken on the meter at the time this bill was sent out
4 to him.

5 We realized that all the previous
6 estimated bills that were issued to him and paid, by
7 them being estimated bills, we underestimated
8 consumption during that time period. He was
9 undercharged for usage.

10 We went back in -- or I should say,
11 automatically the system went back in to the last
12 reading, cancelled out --

13 Q Which was when, sir?

14 A It went back to the billing date -- it
15 shows here of January 6th of 2004 is as far back as
16 we cancelled.

17 Q Okay. So it went back to January of '04.
18 It didn't pick up all the months of '03 even, did it?
19 Because we had testified previously from February
20 '03, the billing all the way through '03.

21 A Right.

22 Q So your balloon adjustment didn't even

1 cover the '03 period; it covered the '04 and '05
2 periods completely; is that true, sir?

3 A That's correct.

4 Q For a period of approximately 24 months now
5 at 25 months; is that right?

6 A Right. Correct.

7 Q Okay. So what did that balloon adjustment
8 show then, sir?

9 A It shows that we cancelled out the bills
10 from January 6th of '04 through January 11th of '06,
11 which were the net amounts of 20,669.08; that would
12 represent the amounts that were estimated that he was
13 billed for, which he paid.

14 We rebilled him for the same billing
15 period of January 6th of '04 through January 11th of
16 '06, based on the reading we obtained in January.

17 The actual consumption that he should
18 have been billed for during that time came out to be
19 \$36,102.19 or a difference of \$15,428.

20 Q Now, that \$15,000 -- let's refer to it as a
21 \$15,000 difference -- that's a \$15,000 difference
22 from what he paid from January of '04 through

1 December of '05 approximately, or January of '06;
2 right?

3 A That's correct. Yes.

4 Q Okay. Now, does it show how much he
5 actually paid during that period of time, those two
6 years?

7 A It doesn't show paid; but if you look at
8 what was cancelled, the cancelled amount, the
9 20,669.08, would also reflect what he had paid on the
10 previous estimated bills.

11 Q So the bills -- the 20,000 -- what was the
12 amount? I'm sorry.

13 A 20,699.08 (sic).

14 Q That would be then reflective of the 24
15 bills that we just went over, the 24 invoices, the
16 amounts, because they showed a zero balance; is that
17 true?

18 A Correct.

19 Q So if I added all these up, they'd come out
20 to 20,000; is that right?

21 A If you added up all the amounts of bills,
22 yes, it should come up to 20,699.08.

1 Q Okay. Now, that \$15,000 remains on his
2 invoices, does it not, as of this date? That's what
3 we're here for today; is that true? That amount?

4 A Basically, yes.

5 Q Okay. Now, in February -- that February
6 bill is in what amount, sir?

7 A What you have here on the February 15th
8 bill -- we're starting off with a previous balance of
9 \$17,105.33, which would have been what he owed on the
10 February 14th bill.

11 Q Right.

12 A We cancelled out the billing period of
13 January 6th of '04 through February 10th of '04
14 because we realized that when he got the initial
15 bill, he was billed for more than 24 months of what
16 we're able to rebill a commercial account for.

17 Q And he was billed for 25 months?

18 A Correct.

19 So we went in and we cancelled --
20 let's just say the 25th month that he was incorrectly
21 billed for. So we cancelled out the bill which went
22 from January 6th of '04 through February 10th of '04,

1 which you see is \$5,136.42.

2 Q And that 5,000 is what now? I'm sorry.

3 A That was the amount that he was rebilled as
4 part of the February 14th bill for service from
5 January 6th of '04 through February 10th of '04.

6 Q Wasn't that already in the first adjustment
7 of the \$17,000?

8 A That \$5,000?

9 Q Yes.

10 A Yes.

11 Q So is it being rebilled here?

12 A No, it's being cancelled.

13 Q It's being cancelled.

14 A Because that \$17,000 on that February 14th
15 bill covered a period of 25 months.

16 Q Okay. So we cancelled that out all the
17 together?

18 A We cancelled out the \$5,000 during that
19 period of time which was a month we overcharged him
20 for.

21 Q So that brought your alleged arrearage for
22 the 24-month period to \$13,400 approximately; right?

1 A That's correct.

2 Q Okay. So the \$13,400 was what you were
3 claiming was an arrearage, but now we have an add-on
4 of the current charges for this particular month?

5 A Correct.

6 Q Which was how much?

7 A Current bill from January 11th of '06
8 through February 10th of '06 was for \$1,677.33.

9 Q For approximately a one-month period;
10 right?

11 A 30 days; correct.

12 Q And that is part of the total bill of the
13 1500 -- \$15,000 that was invoiced; is that true, sir?

14 A Correct.

15 Q Now, I'll show you the following bill,
16 which would be -- oh, here it is. The March 23rd
17 bill.

18 And it still reflects an arrearage of
19 how much, sir?

20 A The previous balance shows \$14,635.71.

21 Q So that would be the 13,000 plus the
22 previous monthly charge of approximately 1600; right?

1 A Correct.

2 Q And what was paid on that?

3 A He has marked here that he paid \$1500

4 towards the bill.

5 Q Toward bill?

6 A Towards the total bill.

7 Q So he didn't pay anything towards the

8 arrearage, and there's like 95 percent completion on

9 the actual billing -- actual usage billing for the

10 last period; is that true?

11 A What do you mean?

12 Q The actual usage was about 1600 on the

13 previous bill, and he paid \$1500?

14 A 16,000.

15 Q No, I'm talking about the period of use.

16 It was \$1677; right?

17 A The current charge of that month was 1677.

18 Q Right. And he applied \$1500 toward the

19 1677. So there would be \$177 that was remaining due

20 plus the arrearages that were reduced then to 14,000;

21 is that true?

22 A That's correct.

1 Q Okay. Now, as we go on with the last few
2 months, the April date shows how much, sir?

3 A The April bill shows a total amount due of
4 \$14,321.05.

5 Q And how much was paid towards the last
6 bill, the last current amount?

7 A What shows here was paid was \$1500 was paid
8 on this April 14th statement.

9 Q He paid \$1500 for two months in a row?

10 A He paid \$1500 on the past due -- on the
11 previous balance.

12 Q Right.

13 Now, we have an April -- I'm sorry --
14 yes, an April '06 date.

15 Can you tell me what the amount of
16 that bill was?

17 A The previous balance was \$14,321.05.

18 Q And how much did he pay from that period?

19 A This bill does not reflect a payment made.

20 Q Okay.

21 A What this bill reflects is that the amount
22 that was owed under this account number was

1 transferred to a new account that Mr. Khasmakhi had
2 at the time.

3 Q Okay. So it's just a transfer bill?

4 A It's just showing the amount of the bill
5 being transferred over to the new account.

6 JUDGE RILEY: What was the old account number?
7 What was the new account number?

8 MR. VENKUS: The new account -- the old account
9 number then, as I would tell you, would be
10 3500034023992.

11 BY MR. VENKUS:

12 Q Is that correct?

13 A That's correct.

14 Q Now, what is the new account, sir?

15 A This shows --

16 Q If I told you that it was 3500035452699,
17 would that be correct?

18 A That's what it shows.

19 JUDGE RILEY: All right. Thank you.

20 BY MR. VENKUS:

21 Q Okay. Now, we had the January reading, if
22 you recall, the balloon bill adjustment -- actually,

1 it's February 14th of '06.

2 Other than February 14th of '06 until
3 the current time, have there been any meter readings
4 or are the bills for '06 based upon estimates again?

5 A We had a reading taken -- an actual company
6 reading taken on January 16th of '06.

7 Q Right.

8 I'm saying subsequent to that date,
9 sir?

10 A Oh, before. I'm sorry.

11 Q No, subsequent. After that date.
12 February, March, April, May, June, up until today.

13 A Well, the service was taken out of
14 Mr. Khasmakhi's name I believe in March of '06 is
15 when he had the service taken out of his name.

16 Q Okay.

17 A So anything after March of '06 would not
18 reflect --

19 Q So February and March of '06 were the
20 actual readings?

21 A No, they were estimates.

22 Q Okay. Now, the final bill I have in my

1 possession -- and you might have subsequent bills --
2 I have one of 5/2/06. And it shows \$12,000 -- 12,000
3 some odd dollars; is that true?

4 A This is his new account that the charges
5 were transferred into.

6 Q Okay. Does it show what a previous bill
7 was, the previous month's bill was?

8 A His previous bill for this address -- or
9 this account number was only \$30.24.

10 Q Okay. Now, basically, the 14 -- what do
11 you claim currently the balance of Mr. Khasmakhi is
12 for that particular property and that account number
13 was transferred? What is the current balance?

14 A The current balance today is 12,932.55.

15 Q And isn't it true that that \$12,000 is
16 really as a result of the balloon adjustment in
17 January of '06? Because, prior to that time, he was
18 paying his bills --

19 A Correct.

20 Q -- that he received? And subsequent to
21 that time obviously he's been paying his bills. It's
22 that \$12,000 that accumulated during the period of

1 two years?

2 A That's right. That's correct. That's the
3 adjustment billing in January.

4 MR. VENKUS: I have no further questions.

5 JUDGE RILEY: All right. I've got a couple of
6 dozen of my own. But I'm going to turn it over to
7 Mr. Goldstein for any follow-up.

8 MR. GOLDSTEIN: I assume that the witness was
9 called as an adverse witness, and I have no
10 opportunity to question.

11 JUDGE RILEY: All right. I do have the
12 opportunity.

13 EXAMINATION

14 BY

15 JUDGE RILEY:

16 Q And just for some clarification here, you
17 said that the service was taken out of the
18 Complainant's name in March of '06?

19 A That's correct.

20 Q Why was that done? Do you know?

21 A He called in and requested the service be
22 taken out of his name. I believe at that time the

1 new owner had purchased the property. So we
2 finalized Mr. Khasmakhi's account; and, of course,
3 service remained in the new owner's name.

4 Q Okay. Now, does Mr. Khasmakhi have a new
5 account?

6 A I believe he has a new account where the
7 charges were transferred to initially but since then
8 were transferred back to this current account that's
9 in dispute.

10 I believe that was your residential
11 account. I'm not a hundred percent sure.

12 Q Okay. I'm going to need a more -- I think
13 I know what you're saying, but I want to make sure
14 that I understand it.

15 A Sure.

16 Q We've had two account numbers read into the
17 record here?

18 A Correct.

19 Q The first one was an original account
20 number, that was for a commercial property; is that
21 correct?

22 A Yes.

1 Q All right. What was the second account
2 number when it was read?

3 A Would you mind if I take a look at his
4 bill?

5 Q Yeah. Go ahead.

6 A I can --

7 MR. VENKUS: I can clarify that. It might be
8 easier for me.

9 JUDGE RILEY: Let me hear from the witness.

10 MR. VENKUS: He may not know.

11 JUDGE RILEY: Well, then he can say so.

12 THE WITNESS: According to what I see here, the
13 charges were transferred into Mr. Khasmakhi's account
14 at 2440-60 74th Place account, which I'd have to look
15 at and say is his residential property or another
16 property that he owns --

17 Q All right.

18 A -- that he was in his name also at that
19 time.

20 Q Okay. You're saying that the -- I'm still
21 not a hundred percent sure what exactly that refers
22 to.

1 He had an original account number?

2 A He had an original account number which was
3 listed as the building meter.

4 Q Right. Okay. That was a commercial
5 property?

6 A Correct.

7 Q And then there was a second account number.
8 Is that the one you're looking at right now?

9 A Correct.

10 Q Okay. And that appears to be for a
11 residential property?

12 A It's reflected as a Rate 2, which would
13 tell us it's a commercial property listed as
14 nonheating, but the floor location is listed as
15 basement. But if we look at rate classification, the
16 rate classification is also listed as Rate 2, which
17 is commercial.

18 Q Okay. So it's like a separate commercial
19 property then?

20 A Correct.

21 Q And the amounts due were transferred from
22 one account to the other account --

1 A That's correct.

2 Q -- of the second commercial property?

3 A Yes.

4 Q Okay. Now, was there -- then at some point

5 he requested service be taken out of his name for

6 that account number there, the one that you're

7 holding?

8 A No, for the building meter.

9 The first account which was made final

10 in March of '06 --

11 Q All right.

12 A -- we transferred that final bill over to

13 the other property that he has on 74th Place.

14 Q All right.

15 A I do not believe he ever requested that the

16 service on 74th Place be discontinued.

17 Q All right.

18 A What we did because of the dispute on the

19 transferred-in charges, we removed the charges from

20 his second account and brought them back over to the

21 first account where they came from, initially.

22 Q Okay. All right.

1 MR. VENKUS: If I might...

2 JUDGE RILEY: All right.

3 MR. VENKUS: It's the same building. One is

4 the laundry account and the other one is the for the

5 heating account in the same building.

6 JUDGE RILEY: All right. I see.

7 THE WITNESS: It's a corner building.

8 JUDGE RILEY: Okay. And then that's completes

9 your examination of Mr. Reardon?

10 MR. VENKUS: Yes -- well, just briefly --

11 BY MR. VENKUS:

12 Q One more time, sir, going back again to the

13 February '06 bill, that \$15,000 -- I'm sorry -- not

14 the '06 bill, the November 12th; that was the '03

15 bill that first came out at \$15,000, and that \$15,000

16 billing was based upon previous estimates which were

17 subsequently adjusted; is that true? I mean that

18 \$15,000 bill was disposed of by an adjustment?

19 A Yes, it was. Correct.

20 Q And the adjustment was he specifically that

21 he didn't owe that \$15,000?

22 A At the time the original adjustment was

1 made, yes.

2 Q And now we've got the second billing, which
3 was a major billing, which was based upon an estimate
4 that was taken after an almost a three-year period;
5 is that true, sir --

6 A That's correct.

7 Q -- of estimates?

8 MR. VENKUS: I have no further questions. I'm
9 sorry.

10 JUDGE RILEY: Thank you.

11 And, Mr. Goldstein, you're not going
12 to follow up with anything?

13 MR. GOLDSTEIN: I'll call Mr. Reardon as my own
14 witness.

15 JUDGE RILEY: Okay. Counsel, did you have
16 another witness that you wanted to call?

17 MR. VENKUS: Yes.

18

19

20

21

22

(Witness sworn.)

1 ABBAS KHASMAKHI,
2 called as a witness herein, having been first duly
3 sworn, was examined and testified as follows:
4 DIRECT EXAMINATION
5 BY
6 MR. VENKUS:
7 Q Would you state your name, sir.
8 A Abbas Khasmakhi.
9 Q Your address a what, sir? Your home
10 address?
11 A 5921 West 103rd Street, Apartment 1, Oak
12 Lawn, Illinois 60453.
13 Q Were you ever the owner of a property
14 located in a company known as 7417 South Phillips in
15 Chicago, Illinois?
16 A Yes.
17 Q When did you purchase that property
18 approximately?
19 A Approximately around August of 2003.
20 Q And did you subsequently sell that
21 property?
22 A March --

1 Q Did you sell it?

2 A Yes.

3 Q Okay. Approximately when?

4 A Approximately March 23rd, 2006.

5 Q Okay. Now, during the period you owned

6 that property -- what kind of property was it?

7 A It was a commercial, residential property.

8 Q How many units?

9 A 19 units.

10 Q And the -- were all of the units occupied

11 throughout the entire period of the ownership?

12 A No. Sometimes --

13 Q Yes or no?

14 A No.

15 Q Okay. Now, during that period of

16 ownership, Peoples Energy was servicing your gas

17 needs; were they not, sir?

18 A Yes.

19 Q Okay. Shortly after ownership of that

20 property, you got a bill of approximately \$15,000;

21 did you not, sir?

22 A Yes, sir.

1 Q And how was that bill adjusted or why was
2 it adjusted?

3 A I called several times to Peoples Energy.
4 They didn't do anything. So I called the Attorney
5 General's Office and the Illinois Commerce
6 Commission.

7 Through that, the Illinois Commerce
8 Commission, I believe that -- my impression was that
9 the Peoples Energy got the point that they cannot
10 overcharge, and then they come down and say, Okay,
11 we're going to lower it down to \$4,000 something.

12 Q And you paid that 4,000 some odd bill; did
13 you not, sir?

14 A Yes, sir.

15 Q And throughout your period of your
16 ownership from the date you purchased it all the way
17 up to, let's say, January of '06 -- from the date of
18 purchase till January of '06, you were receiving
19 monthly statements from Peoples Gas, were you not?

20 A Yes, sir.

21 Q And did you know that these bills were
22 estimates?

1 A Yes.

2 Q Okay. And did you pay those bills as they
3 came in?

4 A Yes, sir.

5 Q So up until January -- the beginning of
6 January of '06, you had paid every bill that you had
7 received for the entire period of your ownership of
8 that property; did you not, sir?

9 A Yes, sir.

10 Q Now, in January of '06 you received another
11 big bill of \$17,000; did you not, sir?

12 A Yes, sir.

13 Q Did you make inquiry about the \$17,000 with
14 Peoples Gas?

15 A Yes, sir.

16 Q And what did they tell you?

17 A They told me, "This is estimate." They
18 will not do actual reading. "And if you really want
19 us to go there, your bill would be way higher than
20 what you have now." And that's the bill for the last
21 two years they were under estimating my account.

22 Q Did you know that -- did you ever -- strike

1 that.

2 Did Peoples Energy ask you for -- to
3 gain entrance into that building at any particular
4 time to make actual readings?

5 A No, sir.

6 Q When you filed your application with People
7 Gas for service at that building, did you have to
8 fill out a form of where you lived and what your
9 phone number is?

10 A Yes, I believe so.

11 Q And did you ever change that phone number
12 or that address during the time you owned that
13 building?

14 A No, sir.

15 Q Did Peoples Gas ever contact you in an
16 attempt to make a meter reading during the period you
17 owned that property?

18 A If they did, they were able to get in; but,
19 no.

20 Q How would they be able to get in, sir?

21 A They called me on my business phone or cell
22 phone that I have and also they had -- I give them my

1 worker -- employee's phone number to get in touch with
2 me in case I'm not there at that point. My employee
3 would be at the premises so they would be able to get
4 in.

5 Q Did you ever ask -- during that period of
6 ownership of the three years that you owned the
7 property, did you ever ask for Peoples Gas to come
8 out and take readings?

9 A Yes, I did.

10 Q How many times?

11 A At least four or five times.

12 Q Do you remember when approximately those
13 times that you did ask?

14 A It could be more.

15 One was the time when I got the bill
16 for 15,519 for way back November 2003. I complained
17 many times, "Please come do the reading." And
18 that's -- many times I make calls at that point for
19 November and December, even in January. Then again
20 when I got this -- another high bill in January
21 2000 --

22 Q That's \$2500 dollar bill approximately?

1 A Yes. 2500.

2 Q And what was the response?

3 A They do not do actual readings.

4 Q Did they tell you why they do not do actual
5 readings?

6 A Yes, for cost cutting policy of the Peoples
7 Energy. That's the way they set up their system. So
8 they done want -- they track costs. So they do
9 estimates.

10 Q Were you ever aware of any 14, \$15,000
11 additional bill you might have owed Peoples Energy
12 until you got that bill in February of '06?

13 A Absolutely not. I was shocked.

14 Q Okay.

15 MR. VENKUS: I have no further questions of
16 this witness.

17 JUDGE RILEY: Mr. Goldstein, you have any
18 cross-examination?

19 MR. GOLDSTEIN: Yes.

20

21

22

1 CROSS-EXAMINATION

2 BY

3 MR. GOLDSTEIN:

4 Q Mr. Khasmakhi, there are 19 units in that
5 building at 7417 South Phillips; correct?

6 A Yes, sir.

7 Q How many bedrooms are in each of the units?

8 A Mostly one bedroom apartments. And if my
9 recollection's correct, they got three two-bedrooms
10 and one three-bedroom.

11 Q And you were providing the heat to all of
12 these units?

13 A Yes, sir.

14 Q And you were also providing the heat to the
15 common areas in the building?

16 A Yes, sir.

17 Q Okay. What about the hot water? Who
18 provided that?

19 A I provided heat and water.

20 Q All right. And do you recall how large the
21 boiler or furnace unit was for the building?

22 A I don't recall.

1 Q Well, it was quite a large furnace in order
2 to heat those 19 units and common areas; correct?

3 MR. VENKUS: Objection.

4 MR. GOLDSTEIN: It's cross-examination, Judge.

5 MR. VENKUS: I know, but when he's
6 cross-examining, he's not allowed to testify. And
7 when he say's, "It's quite a large," I think that's
8 an objectionable statement.

9 JUDGE RILEY: Can you rephrase it?

10 BY MR. GOLDSTEIN:

11 Q Let me ask you this:
12 Those 19 units and the common areas,
13 how many floors are in this building?

14 A Three floors.

15 Q And you do not recall the size of the
16 boiler unit in the building, do you?

17 A May ask one question before I answer that?

18 JUDGE RILEY: In other words, you don't
19 understand the question?

20 THE WITNESS: Yes, I do understand it. But I
21 just wanted to clarify one thing.

22 The common area does not have a

1 heating system.

2 BY MR. GOLDSTEIN:

3 Q I understand that.

4 A Okay. I just wanted to make sure. I made
5 the wrong answer when I said, yes. It does not have
6 radiators in the common areas. That's my
7 understanding.

8 Now, the way I look at all of -- the
9 boiler, furnace, to me, is mixed sized -- or a normal
10 size for a building. So I cannot really tell how
11 many BTUs.

12 Q It was an adequate size for building?

13 A Yes.

14 Q And do you recall how large the water
15 heater was -- was there more than one water heater
16 for the building?

17 A Just one.

18 Q And do you recall how large that was?

19 A It's pretty big in the sense it's enough to
20 satisfy people not to cause any complaints.

21 Q All right. And you testified that there
22 was somebody on the premises there to let the gas

1 meter reader in if the gas meter (sic) showed up to
2 read the meter? Is that your testimony?

3 A Yes, sir.

4 Q Okay. And who was that person?

5 A Frank Herbert (phonetic).

6 Q And did he live on the premises?

7 A No, sir.

8 Q Okay. Now, you also testified that you
9 asked the Peoples Gas on several occasions to make
10 meter readings.

11 Do you recall who you talked to at
12 Peoples Gas?

13 A My understanding is they don't want to tell
14 their name. They only tell me their first name
15 because they don't want to get into trouble if they
16 may say something that can be used -- or evidence
17 that, okay, your employee's name is this (sic). They
18 just say Jack or Cathy; that's all.

19 Q You just made up a name; right?

20 A Right. Yeah. They don't say their last
21 names.

22 Q Now, between January of 2004 and January or

1 February of 2006, how many times did you call Peoples
2 Gas to ask them to come out and make meter readings?

3 A My recollection -- the way I can remember,
4 maybe five or six times, or less or more.

5 Q And when did you call them and tell them to
6 come out and make the readings?

7 A When ever I got -- for example, this
8 January 2006 I did a lot of calls, and I was really
9 frustrated. I was shocked when I saw the bill. And
10 I complained, "Wait a minute -- I got a bill for
11 December for this much, almost twice the previous
12 bill, January twice (sic).

13 Q And, so, when you called in January of
14 2006, you made several calls to Peoples Gas
15 requesting that they come out and read the meter; is
16 that right?

17 A Yes.

18 Q And didn't they actually come out and read
19 the meter the following month?

20 A The beginning they did not want to do that.

21 Q But didn't they -- answer the question.

22 Didn't they actually come out and read

1 meter?

2 A They did come read it.

3 JUDGE RILEY: I'm sorry. When was that?

4 BY MR. GOLDSTEIN:

5 Q When did they -- in February of 2006?

6 A Yes, I think my recollection --

7 Q Were you present when they read the meter?

8 A I believe my employee -- I cannot recall.

9 Either my -- I believe my -- I think my employee let
10 Peoples Energy get in. I called them that there is
11 Peoples Energy coming.

12 Q So they made a special arrangement to come
13 out and read the meter at that time? Is that your
14 recollection?

15 A They called me. I said, "They are here at
16 10:00 o'clock." My guy was there at 10:00 o'clock.

17 Q And had that arrangement ever been made
18 previous to whenever that was in January of 2006 when
19 you had that discussion with Peoples Gas?

20 A If they had problem, I made it in case I'm
21 not going to be there for some reason or some
22 emergency, I would have my guy to be there. That is

1 the way I can explain to you.

2 Q Okay. Let --

3 MR. GOLDSTEIN: Can you read the question back,
4 please.

5 (Whereupon, the record was read
6 as requested.)

7 BY MR. GOLDSTEIN:

8 Q Do you understand the question?

9 A I do understand the question.

10 If I'm not there, then I have my -- my
11 guy is there from 7:00 in the morning until 4:00 p.m.
12 So if I'm not there for -- because they come in --
13 they want to know if they can get in from the back
14 gate. So if at that point I'm not there, I say,
15 "Okay. Wait here. Peoples Gas is coming at 10:00
16 o'clock or 9:00 o'clock or 11:00 o'clock or between
17 7:00 to 11:00 o'clock," so there would be no excuse
18 for Peoples Gas to get in (sic).

19 Q And that was the arrangement that was made
20 in January of 2006; correct?

21 A It's possible.

22 Q Was that arrangement ever made between the

1 time that you took possession of the property back in
2 2003 to January of 2006?

3 A It's possible.

4 Q Was it ever made with you?

5 A Okay. If they asked me, they were able to
6 get in. I made arrangement to get in, yes.

7 Q Did they ever -- I assume by the answer to
8 your question, Mr. Khasmakhi, that in January of 2006
9 there was a special arrangement made between you and
10 Peoples Gas to go in and read the meter at the
11 building; is that right?

12 A Yes.

13 Q All right. Was that special arrangement
14 ever made between the time you gained possession of
15 the property in 2003 to January of 2006?

16 A I think so.

17 Q When was that made?

18 A When I complain to them way back in 2003,
19 November 2003, when they sent me that bill, I said
20 "You need to send somebody here because the bill is
21 way outrageous." And they said, again, they don't
22 want to do this and they are not in the place and

1 position to do actual readings. But if they do, they
2 are doing just an estimate. So I said, "Okay. You
3 tell me which day is convenient for you so I can make
4 an arrangement, making sure you are able to get in.

5 Q And, so, such an arrangement was made back
6 in November of 2003?

7 A Yes.

8 Q Okay. Were there any other occasions when
9 that kind of an arrangement was made between you and
10 Peoples Gas?

11 A They called to say they want to come turn
12 off the tenants' gas. And I ask my employee to be
13 around that area so Peoples Gas come in. So let them
14 in.

15 Q Okay.

16 A They not necessarily coming to look at the
17 building meter, but tenants they want to cut it off.
18 They going to turn it off.

19 Q All right. And tenants in the building
20 were paying for their own cooking gas?

21 A Yes.

22 Q All right. Are you aware of any times

1 between the time you came into ownership of the
2 premises on Phillips to March of 2006 when Peoples
3 Gas was denied access to your building?

4 A I don't recall.

5 Q Now, you own other properties, do you not,
6 in the city of Chicago?

7 A No, not at this point.

8 Q Have you owned other properties in the city
9 in the last two or three years?

10 A No.

11 Q When was the last time you owned any
12 property in the city?

13 A '99 to 2003, when I bought this one.

14 Q And you were served by Peoples Gas during
15 that time?

16 A If my recollection is correct, yes.

17 Q And did you ever have any dispute as to
18 having Peoples Gas going out and reading the meter at
19 whatever property that was?

20 A I do not recall.

21 MR. GOLDSTEIN: Okay. I have nothing else.

22 JUDGE RILEY: Okay. Do you have any redirect?

1 MR. VENKUS: Yes.

2 REDIRECT EXAMINATION

3 BY

4 MR. VENKUS:

5 Q Mr. Khasmakhi, the two times that Peoples
6 responded to your request for readings were the two
7 occasions when the major bills came out, the \$15,000
8 early billing and the \$17,000 billing in February; is
9 that true?

10 A Yes.

11 Q That's when they actually came out and did
12 readings; is that correct, sir?

13 A Yes.

14 Q And on either one of those occasions did
15 they express any problems gaining access to get the
16 readings?

17 A Absolutely.

18 Q And during all those other periods of three
19 years of estimates, had you asked -- called to ask
20 for readings to be made?

21 A Yes.

22 Q And did they ever set up appointments to

1 make up a reading when you would call them to come
2 out and make readings? Did they ever tell you that
3 they were going to be out on a certain date to make a
4 reading?

5 A They always tried to persuade me not to do
6 that.

7 Q Okay. Answer my question.

8 Yes or no? Did they ever make an
9 appointment with you to come out and make a reading?

10 A Yes.

11 Q And did they ever keep the appointment?

12 A I do not believe, no.

13 Q Okay.

14 MR. VENKUS: I have nothing further.

15 RECROSS-EXAMINATION

16 BY

17 MR. GOLDSTEIN:

18 Q When did that occur when they actually made
19 an appointment with you to go out and read the meter?
20 Do you recall that?

21 A From the period of November 2003, several
22 times I asked them, "Please come to do the -- in

1 November, December 2003 and January 2003, I said
2 "Please come see the reading because the bill you
3 sent me does not reflect the actual reading."

4 Q And did you make an arrangement in November
5 or December of 2003 specifically for a date and time
6 for Peoples Gas to go out to your property and read
7 the gas meter?

8 A If --

9 Q Yes or no?

10 A Yes, I did.

11 Q And what arrangement was made?

12 A I cannot tell you the exact date; but the
13 arrangement was that I would have my employee -- if
14 I'm not there, my employee would be there.

15 Q When you made that arrangement to have your
16 meter read in November or December of 2003, did you
17 make arrangements to have yourself present when the
18 meter reading was to take place?

19 A Yes.

20 Q And did the meter reader come out when you
21 were present and read the meter at the date and time
22 when you made the arrangement?

1 A I think, yes.

2 JUDGE RILEY: Okay.

3 MR. VENKUS: I have no further questions.

4 JUDGE RILEY: Okay. Let's leave it right
5 there.

6 I've fought the matter of your
7 exhibits, Counsel. But I want to take a brief
8 recess.

9 (Whereupon, a recess was taken.)

10 JUDGE RILEY: Back on the record.

11 MR. VENKUS: At this time, I would offer enter
12 as evidence as Group Exhibit No. 1, all of the
13 invoices as testified to by Mr. Reardon beginning on
14 October 21st of '03 through and inconclusive of May
15 22nd of '06.

16 Before tendering them on the other
17 side, I might use those for cross-examination at a
18 later time.

19 JUDGE RILEY: All right. That's understood.

20 Mr. Goldstein, do you have a response
21 or an objection of any?

22 MR. GOLDSTEIN: I have no objection.

1 JUDGE RILEY: Okay. Complainant's Group
2 Exhibit 1 is admitted into evidence.
3 (Whereupon, Complainant's Group
4 Exhibit No. 1 was admitted into
5 evidence.)
6 JUDGE RILEY: Counsel, we'll go through the
7 whole three copies and all that stuff subsequently.
8 And it is my understanding that
9 completes your case in chief?
10 MR. VENKUS: It does. And I rest at this time.
11 JUDGE RILEY: Thank you.
12 Mr. Goldstein?
13 MR. GOLDSTEIN: Yes, I'm prepared to proceed.
14 I call John Reardon.
15 JUDGE RILEY: Mr. Reardon may I remind you, you
16 are still under oath?
17 THE WITNESS: Yes, sir.
18 JUDGE RILEY: Please proceed.
19
20
21
22

1 JOHN REARDON,
2 called as a witness herein, having been previously
3 duly sworn, was examined and further testified as
4 follows:

5 DIRECT EXAMINATION

6 BY

7 MR. GOLDSTEIN:

8 Q Mr. Reardon, would you briefly state what
9 your position is with Peoples Gas & Light.

10 A My current position is group supervisor of
11 the ICC Presidential Group at Peoples Energy.

12 Q And as group supervisor, could you describe
13 generally what your duties are.

14 A I supervise three people who work on
15 informal ICC inquires, and also handle informal
16 inquiries as well and also I handle official inquires
17 once they go to a formal hearing status.

18 Q And did you handle both the informal and
19 the formal complaint of Abbas Khasmakhi in this
20 matter?

21 A No, I did not.

22 Q And who did?

1 A Patricia Medina.

2 Q And she's no longer in your section of the
3 company?

4 A That's correct. She's been promoted.
5 She's been transferred to another area within the
6 company.

7 Q Okay. And we've had marked for today's
8 hearing five separate exhibits. And I'm going to go
9 through them with you.

10 But as a general matter, these five
11 exhibits were taken from the books and records of the
12 Peoples Gas Light and Coke Company?

13 A Yes, they were.

14 Q And they were kept in the ordinary course
15 of Peoples Gas Light's business --

16 A Yes, they are.

17 Q -- as a public utility in the state of
18 Illinois?

19 A That's correct.

20 Q And they are required by the Commerce
21 Commission -- Peoples Gas Light is required by the
22 Commerce Commission to keep these kinds of records;

1 is that right?

2 A That's correct.

3 Q All right. Let me show you what's been
4 marked as Respondent's Exhibit 1.

5 Could you describe what this Exhibit
6 is?

7 A This exhibit is what we would call a
8 history of the meter readings and the billing for our
9 customers and any cancellation and any rebillings of
10 an account that the customers is rebilled for.

11 Q Is there anything specifically that you
12 would like to point out that has not been -- you did
13 not testify to with respect -- when you were called
14 as a witness by counsel for the Complainant?

15 A The only thing I can see here that may not
16 have been discussed initially was -- I think the
17 first question was put to me that in November of '03
18 there had been a bill generated to Mr. Khasmakhi --
19 and I don't remember what the dollar amount was --
20 but it was the initial billing I believe from July of
21 '03 through, I want to say, November of '03, which I
22 believe was a hundred day service.

1 I believe that would be the first
2 bill. That was the first bill for service that was
3 issued to Mr. Khasmakhi for service from July of '03
4 through November of '03 in the net amount of
5 \$15,164.27, which was for a hundred days of service,
6 which was an estimated bill for usage.

7 I believe at that point when that bill
8 was generated, there was a call made -- I believe
9 there was also a call made to the Illinois Commerce
10 Commission where we had an informal dispute about
11 that bill where an actual reading -- an appointment
12 was made and an actual reading was obtained on the
13 meter at that time. And we realized that we would
14 call the start-up reading -- or the beginning reading
15 that he was being billed from was actually over --
16 was incorrectly estimated.

17 In other words, the original start-up
18 reading that he was billed from was for an index of
19 21440. That was what we started your service at as
20 of July 3rd of '03.

21 When we went out there and we did a
22 reading on the meter to verify what the current

1 reading was, it was determined that the start-up
2 reading that you had been billed for was incorrect.
3 That's why we cancelled out that bill. And I believe
4 the cancel of that bill occurred -- again, I'd have
5 to look at the bill. But I believe it occurred
6 somewhere around December of '03.

7 We cancelled out the original bill of
8 15,000 and we readjusted your turn-on reading to
9 reflect the actual turn-on reading to be lower -- I
10 mean, higher -- excuse me -- than the reading of
11 21440. And that was the correction that was made on
12 your first bill that you received from us. And I
13 believe that corrected bill was as of January 14th of
14 2004.

15 So his initial bill he was sent was
16 incorrectly estimated, incorrectly billed. There was
17 an adjustment made to that where we cancelled out the
18 original billing amounts, and then we rebilled him
19 for a correct -- what we call a turn-on index going
20 forward.

21 Q Let me hand you what's been marked as
22 Respondent's Exhibit 2. It's a two-page exhibit.

1 Could you discuss what is contained on
2 the first page of Exhibit 2.

3 A The first page of Exhibit 2 is what we
4 would call a screen point or a copy of the billing
5 details panel which reflects the first bill
6 Mr. Khasmakhi got from us on February 14th of 2006.

7 This bill here is saying the amounts
8 that was rebilled to him after we took a reading on
9 the meter in January where we then rebilled and
10 cancelled out all the previous bills or 25 months,
11 initially, and we rebilled the account on a
12 month-by-mop basis, what we call a three-day
13 analysis.

14 The second page of Exhibit No. 2 will
15 actually give you a breakdown of the first -- the top
16 part of it is showing the rebills. The rebills are
17 indicating what the account was rebilled for on a
18 month-by-month basis for the consumption that was
19 being rebilled to him at what the cost was of the
20 rebilled amounts.

21 Lower part of the screen print you see
22 the word "back out." What that back out means is

1 those were the bills that he was originally billed
2 for, that he paid, that we cancelled.

3 So we cancelled out all the previous
4 bills going from January '04 through January of '06.
5 It tells us how much we cancelled out and then the
6 rebills is how much you were rebilled for that same
7 billing period during the February 14th bill.

8 Q Let me hand you what's been marked as
9 Respondent's Exhibit 3; it is a three-page exhibit.

10 Could you explain what is shown on the
11 first page of that exhibit.

12 A Sure. The first page of this exhibit is
13 showing a date of February 15th of 2006. This is
14 where -- at the time we adjusted the bill of February
15 14th for what we had incorrectly rebilled him for
16 initially as part of that February 14th bill. And
17 then we rebilled him for usage -- current usage as
18 well up to February 16th.

19 Again, this bill reflects what we had
20 overcharged him for on the initial balloon billing
21 and the corrections that were being made on that
22 February 15th bill.

1 Q All right. Why don't we turn to the next
2 page of that exhibit, and that is a bill with a bill
3 date of February 15th, 2006?

4 A Correct. This is the actual bill itself.
5 This is a duplicate of the actual bill that was
6 mailed to Mr. Khasmakhi showing him the corrections
7 that were made where we cancelled out prior billings
8 or what we had overestimated for on the February 15th
9 bill -- I'm sorry -- the February 14th bill and what
10 the rebillings were giving him the correct total
11 amount that his account was at that time.

12 Q And the last page of that exhibit is what?

13 A The last page of that exhibit is the
14 billing period of January 6th '04 through February
15 10th of '04.

16 MR. GOLDSTEIN: May I have the last question
17 and answer back, please.

18 (Whereupon, the record was read
19 as requested.)

20 BY MR. GOLDSTEIN:

21 Q All right. Let me show you what's been
22 marked as Respondent's Exhibit 4, which is a two-page

1 exhibit.

2 First looking at Page 1 of that
3 exhibit, would you describe what is shown on that
4 page?

5 A The first page of Exhibit 4 is shown as a
6 screen print, again, of a completion of an order from
7 a service person who is at the site on March 21st,
8 2006, which was due to what we would call a Number 8
9 Inspection or a high billing inquiry dispute that you
10 had made.

11 The screen print is showing what the
12 service person's remarks were, what the reading was
13 at that time that was taken by the service person.

14 Q And the second page of that exhibit shows
15 what?

16 A The second page is -- again, is a screen
17 print that we use for our records to indicate that
18 this was a request that was made for a special
19 investigation because of a reading. It tells us that
20 this investigation was initiated on March 15th of
21 2006 with a date scheduled for March 21st, 7417 South
22 Phillips. A time was scheduled for 9:30. It had

1 Mr. Abbas's name as the customer, his phone number,
2 and what the reason was why we were going out,
3 stating "The customer disputes a high bill. Please
4 verify meter reading and verify condition if
5 appliances connected to the meter. Call customer at
6 above phone number."

7 And it also has results of what the
8 service person found when he was out there as well as
9 taking a reading of the actual meter.

10 The service person reported that at
11 that time he was out there on March 21st, the meter
12 reading at the time was 79296. He says "Everything
13 else here is okay. The CHP, which your furnace and
14 AWH -- which is your water heater -- he says "are
15 both fine."

16 Q Let me hand you what has been marked as
17 Respondent's Exhibit 5.

18 Could you describe first, in general,
19 what this multi-page exhibit is.

20 A This multi-page exhibit is a detailed
21 report that we have gotten from the meter reading
22 department that indicates the dates and the times

1 that the meter reader attempted to read the meter at
2 7417 South Phillips and what the results were of his
3 attempt to read the meter.

4 Q Now, let's start with Page 1 of that
5 exhibit.

6 And those show the various dates
7 between January 12th, 2004 and March 16th, 2005 with
8 respect to attempts to read the meter?

9 A That's correct.

10 Q And it also shows readings taken on January
11 6th, 2004 and October 27th, 2003 where actual meter
12 readings were taken?

13 A Yes. That's correct.

14 Q Now, going to Page 2.

15 Now, Pages 2 through 9 for this
16 exhibit, could you describe, going through each one
17 of the pages, what is shown on those pages of
18 Respondent's Exhibit 5?

19 A Sure.

20 Page No. 2 shows that the meter reader
21 made an attempt on January 12th of 2004 to read the
22 meter at 7417 South Phillips and that he was not

1 successful in getting in. And his remarks that he
2 put on here were "not home." Those are normal
3 remarks that the meter reader would put. They make
4 an attempt to read the meter, and there's nobody --
5 no access. They put down "not home," "no access,"
6 "dog in yard," whatever the reason may be that they
7 weren't able to get in to read the meter.

8 Also, the other pages that you see, we
9 make attempt on the meter -- we make attempts to read
10 the meters every two months. So you're going to see
11 the first reading attempt was made on March -- I'm
12 sorry -- January 12th, 2004. The next attempt was
13 made on March 12th, 2004. Once again, the reason
14 being -- "not home" is the reason he put on his
15 processor.

16 May 12th of 2004, again, was the next
17 on cycled scheduled reading. Once again, May 12th
18 showing the reason being "not home."

19 We do not have an actual screen print
20 of the July 2004 route.

21 September 13th of 2004, once again,
22 indicating that the meter reader was out there.

1 Again, showing "not home" as the reason.

2 November 9th of 2004, once again, the
3 meter reader was out there. He's showing on his
4 remarks here now he says "no key," as the reason why
5 he did not get in to read the meter, "no key" was his
6 remarks.

7 Again, on January 11th of 2005, once
8 again, the meter reader attempted to read the meter,
9 not able to get in. His remarks show "not home."

10 And March 15th of 2005, one again,
11 which is our on cycled reading, the meter reader goes
12 out there once again. His remarks show "not home."

13 JUDGE RILEY: March what?

14 THE WITNESS: March 15th of 2005.

15 JUDGE RILEY: 3/15.

16 But the document itself -- I thought
17 it says March 11th. Or is that for 7440 South
18 Phillips?

19 THE WITNESS: That's 7440 Phillips.

20 JUDGE RILEY: Okay. Attempt made on March 15.

21 BY MR. GOLDSTEIN:

22 Q Now, with respect to what you've just

1 described with the attempts to go out and read the
2 meter at 7417 South Phillips, as a Rate 2 commercial
3 customer, when are the meter readings taken of those
4 accounts?

5 A Meter readers go out every other month to
6 read the meters -- attempt to read the meters.

7 Q And you may recall that during
8 Mr. Khasmakhi's direct examination by his counsel, he
9 made mention that when he spoke to Peoples Gas
10 representatives during the time when he was having
11 problems getting his meter read, he was told that
12 Peoples Gas do not do actual readings.

13 Do you recall that?

14 A Yes, I do.

15 Q Is that the policy of Peoples Gas, not to
16 make meter readings?

17 A No, it's not.

18 Q Let's look at the last page of Respondent's
19 Exhibit 5.

20 Could you describe what is shown or
21 not shown on that last page.

22 A This last page is a screen print of what we

1 call the premises details. This would indicate if
2 there was any specific directions given to us in the
3 company to have specific access information to either
4 read the meter, or service orders have a specific
5 access information.

6 If there were any specific
7 instructions for us to read the meter or whether we
8 were given a key by the owner of the property to read
9 the meter, that information would be noted here where
10 it says "Premises directions for orders or meter
11 reading." That would be instructions that the meter
12 reader would have on his or her processor that would
13 tell them ahead of time, This is how you have to get
14 in.

15 Q And what is shown on that last page of
16 Respondent's Exhibit 5?

17 A We have no specific directions or
18 instructions.

19 Q All right. Now, could you explain to us in
20 general terms how Peoples Gas makes estimates of
21 bills.

22 A The estimating procedure that we use is --

1 of course, we use the previous history of that
2 premise, and we estimate consumption based on what
3 they call degree days and based on time of year.

4 In this case here with Mr. Khasmakhi
5 taking over occupancy of the building in July of '03,
6 when the estimates that he was being billed for,
7 those estimates would be based on the previous
8 occupation usage during the time period that we were
9 estimating your consumption during those months.

10 Q And looking back at Respondent's Exhibit 4,
11 the first page of Exhibit 4, and based upon your
12 experience of 27 years with Peoples Gas and looking
13 at the size of boiler and the water heater for the
14 premises at 7417 South Phillips, do you believe that
15 the rebilling that occurred in February 2006 was
16 reasonable?

17 A Yes, I do, based on what's on the remarks
18 from the service person at that time.

19 Q And can you explain, finally, how the
20 balloon bills are created.

21 A Sure. What a balloon is -- a balloon bill
22 is a result of us estimating the customer's bill over

1 numerous months where we finally are able to get a
2 reading -- an actual reading taken on the meter.

3 At that time we get the actual
4 reading, the system or somebody manually will go back
5 in and look at the account and automatically cancel
6 back the last actual company reading prior to the
7 current reading and redistribute all that consumption
8 based on the degree day analysis over specific months
9 that you were being rebilled for.

10 The terminology of a balloon bill
11 happens is, again, when the system goes in and
12 cancels out 12 months, 18 months, or 24 months of
13 previous estimates and then we rebill the account
14 again accordingly, based on degree days, for those
15 specific months.

16 When you get billed on a balloon bill,
17 even though the balloon bill may occur in February of
18 '06, and we're going back to January of '04 or March
19 of '04, you're only going to be rebilled at the cost
20 of gas at the time that you were initially billed for
21 that consumption. You're not being billed at the
22 higher cost of gas maybe in January '06, you're being

1 rebilled on a month-by-month basis at the cost of gas
2 for those specific months that you were being
3 rebilled for.

4 MR. GOLDSTEIN: I have nothing else other than
5 asking that Respondent's Exhibits 1 through 5 be
6 admitted.

7 JUDGE RILEY: Okay.

8 MR. VENKUS: Subject to cross-examination, I
9 have no objection.

10 JUDGE RILEY: I'm just going to hold the ruling
11 until hear the cross.

12 CROSS-EXAMINATION

13 BY

14 MR. VENKUS:

15 Q Mr. Reardon, referring you now, again, if I
16 might, to Exhibit No. 1, a three-page document, let's
17 make it No. 2, Exhibit No. 2, that I'm referring to.

18 Now, this is a list and kind of a
19 history of the rebilling period for the periods of no
20 contact, no actual readings; right?

21 A Correct.

22 Q Now, those rebillings were, in fact,

1 estimates themselves, were they not?

2 A They were system-generated estimates based
3 on the actual company reading obtained at that time.

4 Q But I mean they -- there is no actual
5 knowledge that the company has that these amounts
6 were entirely accurate? They are based on a history
7 generated by Peoples Gas as to what they anticipate
8 the usages to be during that particular time; isn't
9 that true?

10 A The rebillings are based on, again, like I
11 said earlier, a degree day analysis for those
12 specific months that the consumption was reallocated
13 for.

14 Q What I'm saying is that these are
15 reestimates of earlier estimates? Yes or no?

16 A Yes.

17 Q Okay. Now, when we talked earlier, Exhibit
18 No. 1, we talked about that \$15,000. And you
19 explained that that \$15,000 was because of an error,
20 and it was adjusted.

21 That \$15,000 is not part of Peoples
22 claims involving the current alleged amount due of

1 12,000 some odd dollars, is it?

2 A No, it's not.

3 Q That's gone and that's under the bridge?

4 A That's wiped out.

5 Q Okay. Now, going, then, to Exhibit No. 5,
6 there is a -- it's an alleged record of attempts by
7 meter reading to make these particular readings on
8 approximately every two months, from January of '04
9 to March of '05; is that right?

10 A That's correct.

11 Q 7/14 it says "No findings off report."
12 That's a little different than the other ones. Can
13 you tell me why?

14 A When the meter reading went through their
15 processor to find out what readings were taken or
16 what they had for this particular route and date for
17 readings, they were not able to come up with any
18 documentation for that particular cycle,
19 particular --

20 Q So if this documentation was missing, we
21 done know?

22 A Right.

1 Q Now, the first three say "Attempted to
2 read. Not home." So those apparently these are the
3 reasons that it wasn't read, according to Peoples; is
4 that true?

5 A Correct.

6 Q Now, the last four say "No findings off
7 report. Not home."

8 What's the differences? What's the
9 difference between the first three and the last four?

10 A Oh, you're looking at the front page. I'm
11 sorry.

12 That, I don't know what the readings
13 would be -- or what the explanation would be "No
14 findings off report." It would be a terminology that
15 the meter readers would have used or when this
16 document was presented to me.

17 Q So it might have been one meter reading's
18 terminology to use "Attempted to read. Not home" and
19 the other one "No findings off report. Not home."

20 Could they both mean the same thing?

21 A It's possible.

22 Q Could they possibly mean different things?

1 A It's very possible they could also mean
2 different things, sure.

3 Q Now, when you went to the last page of that
4 exhibit, it's a page -- a computer-generated page
5 with four blank squares. And you stated that in
6 those squares if there is some special instructions,
7 they should have been in there?

8 A Correct.

9 Q Now, the fact that they're not in there
10 under these special instructions may not have
11 anything to do with Mr. Khasmakhi's directions to
12 Peoples Gas; isn't that true?

13 A I'm sorry. Say that again.

14 Q Well, Mr. Khasmakhi doesn't put these
15 special instructions in these blanks, does he?

16 A No, he does not.

17 Q Okay. Peoples Gas is supposed to do that,
18 isn't it?

19 A At the request of the customer who requests
20 us to follow specific instructions.

21 Q Is there a possibility that Peoples Gas
22 failed insert the information into those blocks to

1 inform the meter reader what to do? Is there a
2 possibility?

3 A I would say, yes, there was a possibility,
4 if there was ever any specific instructions given.

5 Q Okay. Well, we know back in '03 that there
6 was a problem, a specific problem. And that problem
7 was cleared up with person-to-person contact between
8 Mr. Khasmakhi and Peoples Gas to clear up that
9 \$15,000 misread, as it were?

10 A Correct.

11 Q Were any notations ever made at that time
12 by Peoples Gas, "How are we to get ahold to
13 Mr. Khasmakhi if we got a problem"? We already had
14 one.

15 A At the time we addressed the initial
16 complaint or dispute, that was made by an inquiry
17 previously to the Commission that "My initial bill is
18 high."

19 The people that work in my area, who
20 handle the informal process, would contact the
21 customer and say, "We're here to investigate this for
22 you. I see that you're disputing the bill. You're

1 disputing whatever the reading may be. Let's send a
2 service person out to obtain a reading on the meter,"
3 which was what was done when the corrections were
4 made.

5 Now --

6 Q You're saying they did contact him?

7 A There would have been a contact made at
8 that time to go out there and get a reading on the
9 meter back in January 6th of '04.

10 Q Okay.

11 A That would have been dealing with that
12 inquiry at that time. That would not also carry over
13 to any future scheduled meter readings. This was an
14 investigation on a high bill at that time. We
15 arranged to do what we could do at that time to get a
16 reading and go forward.

17 Q But there was an actual contact made by
18 Peoples Gas to Mr. Khasmakhi to set up this reading
19 back in '03?

20 MR. GOLDSTEIN: '04.

21 THE WITNESS: '03, '04. Right.

22

1 BY MR. VENKUS:

2 Q And, so, they knew how to contact him
3 apparently?

4 A Yes, we knew how to contact him because he
5 had went to the Illinois Commerce Commission and put
6 a dispute -- or put an inquiry on that billing at
7 that time.

8 Q Now, in eight separate attempts as set
9 forth by these documents, to read the meter, wouldn't
10 somebody notify Mr. Khasmakhi that they were not able
11 to read the meter because there was no one present?
12 Did anybody send him a notice?

13 A There were no notices sent. However, each
14 bill that we send out would indicate to him that that
15 bill was an estimated bill.

16 Q Does Peoples Gas ever send out
17 notifications individually to customers that they are
18 unable to read the meter and to make arrangements to
19 make that reading? Do they ever do that?

20 A They have in the past.

21 Q Is there any documentation you might have
22 here today that was given to Mr. Khasmakhi by mail,

1 by fax, by any means that there should be an
2 appointment made for a specific reading because we
3 can't get ahold of you, Mr. Khasmakhi?

4 A Not that I have today, just what the meter
5 reading findings are.

6 The meter reader who made the attempt
7 would have also left some type of a card -- should
8 have also left some of a card saying, "Sorry I missed
9 you today," take a reading on the meter and --

10 Q Should have?

11 A That's the procedure.

12 Q Okay. So really what these documents are
13 are reflective of procedures that are prescribed by
14 Peoples Gas? Those procedures being readings every
15 two months?

16 A Correct.

17 Q Because that's what the Commerce Commission
18 demands, does it not?

19 A That's correct.

20 Q And if they didn't perform what the
21 Commerce Commission demands, would they reflect that
22 the in the writing that, "We failed to abide by the

1 Commerce Commission's directives"?

2 A I don't follow the question.

3 Q Strike that question. That's okay.

4 MR. VENKUS: I have no further questions except
5 for rebuttal.

6 JUDGE RILEY: Okay.

7 MR. GOLDSTEIN: I have just one or two
8 questions.

9 BY MR. GOLDSTEIN:

10 Q Is it your testimony, Mr. Reardon, that in
11 your examination of the books and records of Peoples
12 Gas, with respect to the 7417 South Phillips property
13 and Mr. Khasmakhi as the owner of the property and
14 customer of record, that you could not find any
15 notice in this file which would indicate that there
16 was any instruction by Mr. Khasmakhi to Peoples Gas
17 with respect to reading the meter at the property?

18 A There is nothing noted in this account.

19 MR. GOLDSTEIN: I have nothing else.

20 MR. VENKUS: Then one more.

21

22

1 REDIRECT EXAMINATION

2 BY

3 MR. VENKUS:

4 Q Mr. Reardon, you stated that this account
5 was handled by someone else originally? Patricia
6 Medina, did you say?

7 A That's correct.

8 Q And she's not here to discuss this matter,
9 is she?

10 A No, she's not.

11 MR. VENKUS: Okay. I have no further
12 questions.

13 JUDGE RILEY: Mr. Goldstein, does that the
14 complete of the --

15 MR. GOLDSTEIN: Other than, again, requesting
16 the admission of Respondent's Exhibits 1 through 5.

17 MR. VENKUS: Which I have no objection.

18 JUDGE RILEY: All right. Then motion granted.
19 Respondent's Exhibits 1 through 5 are admitted into
20 evidence.

21

22

1 (Whereupon, Respondent's Exhibit
2 Nos. 1 - 5 were admitted into
3 evidence.)

4 JUDGE RILEY: And you are calling Mr. Khasmakhi
5 in for rebuttal?

6 MR. VENKUS: Yes, I am.

7 JUDGE RILEY: Mr. Khasmakhi, you're still under
8 oath.

9 Please proceed.

10 FURTHER REDIRECT EXAMINATION

11 BY

12 MR. VENKUS:

13 Q Mr. Khasmakhi, I'm showing you a document
14 that was listed as Exhibit No. 5, for the sake of
15 identification.

16 I'll refer you to the first page. It
17 talks about eight separate dates. The first three
18 dates being January '04, March '04, May '04. Each
19 one states that "Attempted to read. Not home" in
20 bold letters.

21 Do you live on that premises at 7417
22 South Phillips?

1 A No, sir.

2 Q Did anyone contact you at any time stating
3 that they were unable to make the readings?

4 A No, sir.

5 Q The next date is May 14th, '04. It says,
6 "No findings off report" and the next four says "No
7 findings off report. Not home."

8 At any time were you ever notified
9 that a representative from Peoples Gas was going to
10 come out and read the meter?

11 A No, sir.

12 Q Did any time prior to this time or any time
13 during three years, did Peoples Gas tell you that
14 they were going to read those meters every two months
15 and get somebody there?

16 A Absolutely not.

17 Q Was there any schedule ever given Peoples
18 Gas on how to read the meter and when to read the
19 meters?

20 A No, sir.

21 Q Did you contact -- other than the beginning
22 and the end, when the two problems existed with the

1 15,000 and the \$17,000 bills, was there any contacts
2 between you and Peoples Gas in an attempt to get them
3 to come out and read the meter?

4 A I think, yes. A couple -- at least
5 probably four or five times.

6 Q And what did they tell you on those times?

7 MR. GOLDSTEIN: I'm going to object. This is
8 just repetitious of his direct examination.

9 JUDGE RILEY: Counsel --

10 BY MR. VENKUS:

11 Q Did they ever tell you what their procedure
12 was relative to making readings on this?

13 A This is based on estimate. They are not
14 during actual readings because they are trying to
15 save money, as they call it, cost-cutting. It's the
16 way the company run.

17 JUDGE RILEY: All right. We have heard that
18 before.

19 BY MR. VENKUS:

20 Q Peoples Gas has your name and your phone
21 number and your address --

22 MR. GOLDSTEIN: Objection again. He's already

1 testified to this, Judge.

2 MR. VENKUS: I have no further questions.

3 JUDGE RILEY: Okay. I was going to say, Let's
4 get through this.

5 MR. GOLDSTEIN: I have just one question, if I
6 may.

7 JUDGE RILEY: Go ahead.

8 FURTHER RECROSS-EXAMINATION

9 BY

10 MR. GOLDSTEIN:

11 Q Looking at the first page of Respondent's
12 Exhibit 5, Mr. Khasmakhi, there are eight dates shown
13 between January 12th 2004 and March 16th through --
14 and March 16th, 2005, with respect to attempted meter
15 readings.

16 Do you see those dates?

17 A Yes.

18 Q Can you state for us that you were on the
19 premises at any one of those dates between January
20 12th, 2004 and March 16th, 2005?

21 A On March 16, 2006.

22 Q That's 05.

1 A Yes.

2 Q When were you there?

3 A I'm there every day, six days a week at the
4 building.

5 MR. GOLDSTEIN: I have nothing else.

6 JUDGE RILEY: Thank you.

7 MR. VENKUS: No questions.

8 JUDGE RILEY: Then that completes all of the
9 testimony. We have dealt with the matter of the
10 exhibit.

11 Counsel, we've got to make copies of
12 these for you.

13 MR. VENKUS: Thank you very much.

14 JUDGE RILEY: Here (tendering). This is the
15 address for the Office of the Chief Clerk. File your
16 appearance with them. That you will get you
17 everything that comes through there.

18 MR. VENKUS: I do appreciate it.

19 JUDGE RILEY: Briefing schedule? Simultaneous
20 briefs?

21 MR. VENKUS: Yeah, it's your prerogative.

22 MR. GOLDSTEIN: Pardon me?

1 MR. VENKUS: Whatever you suggest.

2 Do want to hold off on the briefs

3 until we're able to discuss this matter a little

4 further?

5 MR. GOLDSTEIN: We could move the brief out far

6 enough. We could do that, Judge. I would prefer

7 that --

8 JUDGE RILEY: How much time do you want to

9 allow yourselves to talk about this?

10 MR. GOLDSTEIN: 30 days max.

11 If we can't settle it in the next 30

12 days, we won't be able to settle it.

13 JUDGE RILEY: Okay. We're at July 20. Why

14 don't we make the briefs due -- August 21 is a

15 Monday.

16 Should we make them due August 22?

17 MR. GOLDSTEIN: Just a second.

18 Is that for the initial briefs?

19 JUDGE RILEY: Right.

20 MR. GOLDSTEIN: I guess that's okay.

21 MR. VENKUS: That's fine.

22 JUDGE RILEY: And the parties are going to file

1 simultaneous closing briefs?

2 MR. GOLDSTEIN: That's fine.

3 MR. VENKUS: That's fine.

4 JUDGE RILEY: Okay. Reply briefs? After Labor
5 Day?

6 MR. GOLDSTEIN: Definitely.

7 JUDGE RILEY: September '05 -- '06?

8 MR. GOLDSTEIN: I'm supposed to go on vacation.

9 JUDGE RILEY: I'm sorry. That's cancelled.

10 MR. GOLDSTEIN: Can we have till, say,
11 September 18th?

12 JUDGE RILEY: September 18? Is that okay with
13 you?

14 MR. VENKUS: What date?

15 JUDGE RILEY: September 18th, is that okay?

16 MR. GOLDSTEIN: If that's all right.

17 MR. VENKUS: That's fine.

18 JUDGE RILEY: All right. Is there anything
19 further that we need to discuss?

20 MR. VENKUS: Yes. Just one more question, but
21 it'd be off the record.

22 JUDGE RILEY: Okay. Let's go off the record

1 for a second.

2 (Whereupon, a discussion was had
3 off the record.)

4 JUDGE RILEY: Is there anything else?

5 All right. I will direct the court
6 reporter to mark this matter heard and taken and
7 await the briefs.

8 Thank you very much.

9 HEARD AND TAKEN.

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